



GONGLOFF | PIECHOWIAK LAW, PLLC

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October 4, 2016

ATTN: J. Michael Ferguson, P.C.
Attorney at Law
Anson Financial, Inc. ("AFI")
1210 Hall Johnson Rd., Ste 100
Colleyville, TX 76034

sent via electronic transmission: mike@jmichaelferguson.com

Re: **Demand for Accounting and Payment - Alvord 287 Joint Venture ("JV")**

IMMEDIATE ACTION REQUESTED

Dear Mr. Ferguson,

We have received your letter dated September 30, 2016, along with the following enclosures: (1) a check for \$89,000.00, (2) a 2014-2015 Profit & Loss Statement, (3) a 2015 Balance Sheet, (4) 2014 and 2015 K1 Tax Forms, and (5) attached electronic communications. As stated previously, AFI is in breach of Articles IV, V, IX, and XV of the Joint Venture Agreement ("Agreement") dated January 30, 1996, and Articles V and IX of the Second Amendment to the Joint Venture Agreement dated October 1, 1998. This letter is a final attempt to resolve this matter without litigation.

Since your acquisition of Jentex's interest, FAM has consistently demanded the information to which they are entitled to receive. You have refused to supply such documentation, and have thereby interfered with their ability to confirm proper operation of the JV. Not only did you indicate that you would be handling all of the Jentex duties per the Agreement by Letter dated September 9, 2014, the communications that you provided included an email dated March 27, 2015, in which you stated that you would be providing:

1. *Copies of all the pay histories for the loans being serviced from the beginning of the note to the present time.*
2. *Balance sheet and income statement*
3. *Monthly reports for the loans being serviced.*
4. ***All invoices, tax bills, etc for any expenses being paid for the lot inventory. [emphasis added]***
5. *Brian's ½ of cash to be distributed from the loans being serviced.*

However, at the present, you are not maintaining the separate bank account, you are not keeping the records up-to-date, and you have not provided any of the necessary documentation to verify the JV's proper operation. Although you initially indicated that you would maintain your obligations, you have blatantly refused all requests for the information to which FAM is entitled to under the JV. Telling us to review the closing statements or public records is an unacceptable response to requests for an accounting that should include documents that verify the operating expenses of the JV. The only information you have offered (including the 2014-2015 Profit & Loss Statement and 2015 Balance Sheet) cannot be verified without the supporting documentation, and access to account information you refuse to provide.

FAM expects to receive a full and **verifiable** bring-to-date accounting along with a check to FAM for the amount currently due and owing by the end of the week, as you have promised. As noted previously, FAM requests that such accounting include the signed Accounting Certification form attached. Finally, to be clear, FAM (1) is in no way accepting any changes to the Agreement as it is written, (2) is not authorizing or endorsing the comingling of JV funds with the servicing company account, AFI account, or any other account that is not in the

name of the JV, (3) is not waiving its right to future accountings, or any future claims they may have regarding the accounting and record keeping, and (4) demands that an independent CPA be granted access to all accounts, financial statements, supporting ledgers, receipts, and any other records necessary to prove the accounts within 30 days from the date the payment and accounting is offered to FAM.

FAM demands that you fulfill your obligations under the terms of the Agreement as it is written, including maintaining a separate bank account for the JV and providing bills and/or invoices for all JV expenses. AFI's obligations include servicing the loans. No expenses should be charged to the JV for that duty, which you assumed when you acquired your interest. All invoices and bills included in the accounting should be for allowable expenses only. This offer will remain open until 5:00 p.m. on October 11, 2016, after which it will be automatically withdrawn and a lawsuit will be filed against you.

I urge you to give this matter your immediate attention.

Regards,



Kelly Gongloff

Attachment

cc: (via email) Brian Frazier